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**SACRAMENTO MAN SENTENCED TO SEVENTY-FIVE
MONTHS IN \$2.5 MILLION SCHEME TO DEFRAUD**

SACRAMENTO—United States Attorney McGregor W. Scott announced that ROSS ALLEN ROJEK, 37, of Sacramento, was sentenced today by U.S. District Court Judge Lawrence K. Karlton to seventy-five months in prison in connection with several fraud schemes in which he was involved. As part of his sentence, ROJEK was also ordered to pay over \$2.5 million in restitution to the victims of his schemes. On July 9, 2004, ROJEK pleaded guilty to one count of mail fraud and one count of securities fraud. Parole has been abolished in the federal criminal system, and ROJEK will be required by law to serve at least 85 percent of the prison time imposed.

The case is the product of an joint investigation undertaken by the Federal Bureau of Investigation, the Sacramento Police Department, and the California Department of Corporations.

According to Assistant United States Attorneys James P. Arguelles and Robert Tice-Raskin, who are prosecuting the case, during the period of March of 2002 through April of 2004, ROJEK devised and participated in a scheme to solicit investments for a purported face recognition technology system. ROJEK admitted as part of his plea that while both using aliases and operating under the business names of Face Information Technology LLC and Sentry Biometrics ("Face IT/Sentry"), he sent potential investors a bogus "prospectus." This "prospectus" falsely claimed that the Face IT/Sentry "management team" consisted of three individuals, all of whom were fictitious, who purportedly had previously held high level positions with Netscape Communications. As part of the scheme, ROJEK also "lulled" investors by meeting with them using a false name, and claiming that Face IT/Sentry was continuing to have success with its "unit trials" and would be filing patents shortly. In total, ROJEK was able to raise over \$1.2 million from Face IT/Sentry investors. ROJEK admitted, however, that no such face recognition program ever existed, and none of the investor funds collected were used for this purpose.

In addition to the Face IT/Sentry scheme, ROJEK also admitted that during the period of June of 2003 through April of 2004, he participated in a separate fraud scheme to solicit real estate investments under the name of American Equities Group, LLG ("AEG"). As part of the scheme, ROJEK and others acting on his behalf made "cold calls" and sent out solicitation materials falsely claiming that AEG was in the business of acquiring distressed commercial

property at below-market rates and then reselling them for a profit. ROJEK also sent letters to certain investors falsely stating that AEG had purchased property which had increased in value. In total, ROJEK and his associates were able to raise over \$1.3 million from AEG investors. ROJEK admitted, however, that AEG was a fraudulent entity which never completed the purchase, or even attempted to purchase any commercial real estate.

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